

McGraw Communications, Inc. Ex. \_\_\_\_\_

## STATE OF ILLINOIS

### ILLINOIS COMMERCE COMMISSION

McGraw Communications, Inc. :  
Application for a certificate of :  
local and interexchange authority :  
to operate as a resale and facilities :  
based carrier of telecommunications :  
services throughout the :  
State of Illinois.

### PREFILED DIRECT TESTIMONY OF

~~FRANK AHEARN~~  
*SADIA MENDEZ*

1. Q. Please state your name and business address.  
A. *SADIA MENDEZ*  
~~Frank Ahearn~~, 228 East 45th Street, 12th Floor, New York, New York 10017.
2. Q. By whom are you employed, and what is your position?  
A. *REGULATORY COMPLIANCE MANAGER*  
I am the ~~CEO~~ of McGraw Communications, Inc.
3. Q. ~~Please describe your management experience.~~  
A. ~~My management experience, as well as the other key members of McGraw Communications, Inc.'s management team is set forth on Attachment C to our application.~~
4. Q. What is the purpose of your testimony?  
A. The purpose of my testimony is to describe McGraw Communications, Inc.'s business and to demonstrate McGraw Communications, Inc.'s financial, technical and managerial ability to provide high quality, competitively priced, telecommunications services, and to describe how the company will provide its services to customers within the State of Illinois.

OFFICIAL FILE

I.C.C. DOCKET NO. *080252*  
*App* Exhibit No. *3*  
Witness *Sadia Mendez*  
Date *5/19/08* Reporter *T.S.*

5. Q. Please describe McGraw Communications, Inc.'s business.
- A. McGraw Communications, Inc. is a reseller of interexchange telecommunications services, and is a reseller of local exchange service, and also provides local exchange services utilizing unbundled network elements, or the equivalents thereof, through commercial and interconnection agreements. McGraw Communications, Inc. intends to provide interexchange services, such as outbound 1+ dialing, toll-free service, postpaid calling cards, data services, and directory assistance. Applicant intends to provide local exchange services such as: (1) Basic Exchange Services (local exchange flat rate, measured service, operator access, etc.; (2) Custom and Class Features (call waiting, caller ID, call forwarding, etc.; (3) Adjunct Provided Features (voice messaging, etc.; (4) Ancillary Services (E-911, directory listing, directory assistance); (5) Non-Switched Service (private lines, etc.); (6) Centrex and Centrex like services; (7) High Capacity Services (Digital Subscriber Line, ISDN, etc.); and (8) Carrier Access Services providing trunk side access to the switched network to allow other carriers to originate and terminate calls to Applicant's end user access lines. Applicant's services will be available on a full-time, twenty-four hour a day, seven day a week basis.
6. Q. In what state is McGraw Communications, Inc. organized?
- A. New York. A copy of McGraw Communications, Inc.'s Articles of Incorporation is provided in Attachment B to our application.
7. Q. Is McGraw Communications, Inc. certified to do business in Illinois?
- A. Yes. A copy of McGraw Communications, Inc.'s qualification documents from the Secretary of state is provided in Attachment B to our application.
8. Q. Describe McGraw Communications, Inc.'s financial ability to provide the proposed services.

A. Copies of McGraw Communications, Inc.'s Balance Sheet as of December 31, 2007 and the Profit and Loss Statement for the 12 months ending December 31, 2007 are provided as Attachment E to our application. The company intends to provide service by utilizing cash flow from operations to operate in the State of Illinois.

9. Q. Who are the officers of McGraw Communications, Inc.?

A. The current officers of McGraw Communications, Inc. are as follows:

**OFFICERS**

Francis X. Ahearn	Chief Executive Officer
John Cunningham	President
Jay Monaghan	Chief Service Officer/Secretary
Barbara Dunn	Chief Financial Officer/Chief Operating Officer

**DIRECTORS**

Francis X. Ahearn  
John Cunningham  
Jay Monaghan

10. Q. Describe McGraw Communications, Inc.'s management team.

A. McGraw Communications, Inc.'s management team is described on Attachment C to our application. As shown, our management team has many years' experience in the telecommunications industry.

11. Q. In your opinion, does McGraw Communications, Inc. have the financial and managerial resources necessary to provide the proposed telecommunications services in the State of Illinois?

A. Yes. In my opinion, McGraw Communications, Inc. has the necessary financial and managerial resources to provide the proposed telecommunications services in the State of Illinois.

12. Q. Does McGraw Communications, Inc. intend to file a tariff in Illinois?

A. Yes. McGraw Communications, Inc. will file a tariff upon a grant of certification by the Illinois Commerce Commission.

13. Q. Would you describe the configuration of McGraw Communications, Inc.'s system and equipment.

- A. McGraw Communications, Inc. will be a reseller utilizing facilities and equipment furnished by facilities based carriers. The Applicant will also utilize unbundled network elements, or the equivalent thereof, to provide local exchange services. The Applicant has no plans to install facilities in the State of Illinois.
14. Q. How is the end user billed?
- A. The end users will be billed directly by the company on a monthly basis. The Applicant will utilize "real-time" completed call detail information from its underlying carriers.
15. Q. In your opinion, does McGraw Communications, Inc. have the technical ability and resources necessary to provide the proposed telecommunications services to customers in the State of Illinois?
- A. Yes. In my opinion, McGraw Communications, Inc. has the necessary technical ability and resources to provide telecommunications service to customers within the State of Illinois. In addition to its own management team, Applicant will rely on the technical capabilities and support of its facilities-based underlying carriers.
16. Q. Are you familiar with the term slamming, and if so, what will your company do to prevent slamming?
- A. Yes, I am familiar with the term and the meaning of slamming. Our company will take all necessary measures in order to prevent slamming, including attempting to get a signed letter of agency from all customers prior to commencing service, and all marketing will be done in accordance with all applicable state and federal regulations. Applicant has procedures in place to ensure that customers have affirmatively selected Applicant as their service provider.
17. Q. Are there any pending complaints against McGraw Communications, Inc. in any states where it is providing telecommunications services?
- A. No.

18. Q. Is the company currently authorized to provide service in any other states.
- A. Yes, the company is currently authorized to provide service in Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming. No such applications have been denied.
19. Q. Does the company intend to provide operator services in the State of Illinois?
- A. We do not intend to provide operator services. Operator services will be provided by our underlying carriers.
20. Q. Will McGraw Communications, Inc. have any employees located in Illinois?
- A. No.
21. Q. Does the company wish to keep its books and records at its principal place of business in New York?
- A. Yes.
22. Q. Please describe the authority that Applicant seeks by this Application.
- A. Applicant seeks authority to provide resold and facilities-based local and interexchange services in the State of Illinois.

23. Q. Please describe the public interest benefits associated with Applicant's proposed service offerings in the State of Illinois.

A. Applicant's entry into the Illinois telecommunications market will serve the public interest by creating greater competition in the telecommunications marketplace and will permit customers access to more efficient services and cost savings. Applicant's proposed services will enhance the services available to consumers, and increase consumer choice through innovative, diversified and reliable service offerings. Consumers will benefit both directly, as a result of competitively priced service options available from Applicant, and also indirectly, as Applicant's presence in the market will increase the incentives for other providers to operate more efficiently, reduce prices, and offer more innovative services.

24 Q. Does this conclude your testimony?

A. Yes.